

**PHILIP MORRIS COMPANIES/USA**  
**SPENDING OVERVIEW -- 1996 VS. 1995**

	<u>PROJECTED</u>	<u>3RD REV.</u>	<u>%</u>	<u>EXPLANATION</u>
	<u>1996</u>	<u>1995</u>	<u>CHANGE</u>	
	\$MM	\$MM	'96 vs '95	
<b><u>PM COS. INC.</u></b>				
KRAFT FOODS	85.5	85.5	0%	1996 data incomplete; 2/3's of businesses did not submit budgets
MILLER	3.0 **	4.9	-39%	*1996 data not complete
TOBACCO	111.8	114.5	-2%	Corporate and International \$ included in '96 and '95
<b>TOTAL</b>	<b>200.3</b>	<b>204.9</b>	<b>-2%</b>	
<b><u>PMUSA TOTAL MEDIA BY BRAND</u></b>				
MARLBORO	111.4	118.6	-6%	Overall budget reduced
VIRGINIA SLIMS	30.5	27.4	11%	Increased support against new creative
BASIC	30.1	28.4	6%	Increased support against box launch \$1.5MM
MERIT	21.2	23.9	-11%	Overall budget reduced
BENSON & HEDGES	18.0	21.5	-16%	Overall budget reduced
PARLIAMENT	12.4	10.6	17%	Dollars reallocated to launch Menthol; continued support in new market (Prov.)
CAMBRIDGE	1.8	2.2	-18%	Overall budget reduced
ALPINE	0.0	1.6	-100%	No spending indicated
<b>TOTAL</b>	<b>225.4</b>	<b>234.2</b>	<b>-4%</b>	
<b><u>PMUSA TOTAL PRINT BY BRAND*</u></b>				
MARLBORO	44.0	51.2	-14%	Print reduced to fund Squares program (\$9.0MM), primarily ROP
VIRGINIA SLIMS	17.9	17.4	3%	Increased support of new creative
BASIC	9.4	12.4	-24%	Print used to fund Box launch in OOH
MERIT	13.6	16.6	-18%	Print reduced due to budget cuts and to fund more OOH
BENSON & HEDGES	13.2	17.3	-24%	Print reduced due to budget cuts and to fund more OOH
PARLIAMENT	6.0	4.4	36%	Increased in support of Menthol launch
CAMBRIDGE	1.0	1.8	-44%	# of FSI's reduced
ALPINE	0.0	1.6	-100%	No spending indicated
<b>TOTAL</b>	<b>105.1</b>	<b>122.7</b>	<b>-14%</b>	

\* includes magazine, ROP, supplements, and FSI dollars

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	<u>1996</u>	<u>1995</u>	<u>CHANGE</u>	<u>EXPLANATION</u>
	\$MM	\$MM	'96 vs '95	
<b><u>PMUSA "TOTAL MAGAZINES" BY BRAND</u></b>				
MARLBORO	43.1	46.3	-7%	Magazines reduced to fund Squares program (\$9.0MM)
VIRGINIA SLIMS	16.0	15.5	3%	Increased support of new creative
BASIC	9.0	10.4	-13%	Print used to fund box launch in OOH
MERIT	12.9	15.0	-14%	Print reduced to fund more OOH
BENSON & HEDGES	9.8	14.8	-34%	Print reduced to fund more OOH
PARLIAMENT	6.0	4.2	43%	Increased in support of Menthol launch
CAMBRIDGE	0.0	0.0	0%	# FSI's reduced
ALPINE	0.0	0.0	0%	No spending indicated
<b>TOTAL</b>	<b>96.8</b>	<b>106.2</b>	<b>-9%</b>	
<b><u>PMUSA TOTAL OOH BY BRAND</u></b>				
MARLBORO	67.4	67.4	0%	Budget maintained to afford Squares program
VIRGINIA SLIMS	12.6	10.0	26%	Increased mos./markets
BASIC	20.7	16.0	29%	Increased support for box launch -- markets added
MERIT	7.6	7.3	4%	Increased mos.
BENSON & HEDGES	4.8	4.2	14%	Increased continuity -- ethnic markets
PARLIAMENT	6.4	6.2	3%	Menthol launch --Providence continued
CAMBRIDGE	0.8	0.4	100%	Media One and traditional OOH (mega volume program)
ALPINE	0.0	0.0	0%	
<b>TOTAL</b>	<b>120.3</b>	<b>111.5</b>	<b>8%</b>	

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